

**MINUTES
AUDIT SUBCOMMITTEE
OF THE
LEGISLATIVE MANAGEMENT COMMITTEE**

The Audit Subcommittee of the Legislative Management Committee met in Room W030, State Capitol Complex, House Building, Salt Lake City, Utah, January 30, 2009 from 8:00 a.m. until 9:40 a.m.

Committee Members Present: Speaker David Clark, Co-Chairman
President Michael G Waddoups, Co-Chairman
Senator Patricia W Jones
Representative David Litvack

Legislative Audit Staff: John Schaff, Auditor General
Rick Coleman, Deputy Auditor General
Tim Osterstock, Audit Manager
Darin Underwood, Audit Manager
Lynda Maynard, Recording Secretary
Nancy Johnson, Legis Secretary
Wayne Kidd, Audit Supervisor
Maria Stahla, Audit Supervisor
James Behunin, Audit Supervisor
Broc Christensen, Sr Performance Auditor
Leah Blevins, Sr Performance Auditor
David Apple, Performance Auditor
Ian Christensen, Performance Auditor
Tim Bereece, Sr Performance Auditor
David Gibson, Leg IT Auditor

Other Interested Parties: Patti Harrington, Superintendent, USOE
Todd Hauber, Assoc Supr, USOE
Mike Mower, State Planning Coordinator, PLPCO
Mary Lou Emerson, USAAV Council Dir., CCJJ
Christine Mitchell, Ph.D., Dir of Research, CCJJ
Thomas Patterson, Exec Dir., Utah Dept of Corrections
Robyn Williams, Deputy Executive Dir, UDOC
Brent Butcher, APP Director, UDOC
Craig Burr, Program Dir., Utah Dept of Corrections
David Walsh, Director, Budget/Programs, CCJJ
Brent Kelsey, Asst Dir., Div of Substance Abuse
David Felt, Prog Admin, Div of Substance Abuse

Senator Chris Butters
Paul Weir
Cynthia Butler, USOE
Margaret R. Bird, Dir, School Children's Trust,
USOE
William Greer, Dept of Workforce Services
Kevin Carter, SITLA
Judy Edwards, PLPCO
Mackay Curtis, Utah State Auditors Office
Bob Newman, URS
And Others as Listed

1. Call to Order

President Waddoups called the meeting to order at 8:00 a.m.

2. Approval of Minutes

Representative Litvack made a motion that the minutes from the November 18, 2008, meeting be approved. The motion passed unanimously.

The new Audit Subcommittee members were introduced as were the staff of the Legislative Auditor General's Office.

3a. A Performance Audit of Elementary School Class Size

(Report #2009-04)

Presented by Maria Stahla, Audit Supervisor

Discussion following Presentation

Patti Harrington, Superintendent, Utah State Board of Education (USOE), responded to the audit findings. Superintendent Harrington told the Audit Subcommittee that—

- USOE will adopt the auditor's recommendations
- USOE will provide additional instruction and guidance concerning accountability issues
- USOE has improved their data system

Todd Hauber, Assoc Superintendent for Business Services, Utah State Board of Education (USOE), addressed the Audit Subcommittee. Mr. Hauber said that his office had caught some of the problems early enough that they were able to have their web sight and the printed edition of the Superintendent's Annual Report include the corrected information. Mr. Hauber concluded by saying that USOE is hoping to work with the Legislature to make sure there is a clear understanding of exactly what is expected of them.

Motion: Speaker Clark made a motion that the **Performance Audit of Elementary School Class Size** (Report No. 2009-04) be accepted and referred to the Public Education Appropriations Subcommittee and the House and Senate Education Standing Committees. The motion passed unanimously.

3b. A Performance Audit of the School Children's Trust Section

(Report #2009-02)

Presented by Broc Christensen, Audit in Charge

Discussion following Presentation

Patti Harrington, Superintendent, Utah State Board of Education (USOE), told the Audit Subcommittee that the Trust Lands is now under her control, in the beneficiary role. USOE is in dialogue with the Trust Lands about whether and how much they will advocate for matters with the Legislature. USOE has realigned the structure of the budget so there is much better oversight which has been placed under Todd Hauber, Assoc Superintendent. Superintendent Harrington concluded by assuring the Subcommittee that there are many other things being done to ensure solidity and a comprehensive approach to improving functions and operations of the Trust Land Section.

Motion: Representative Litvack made a motion that the **Performance Audit of the School Children's Trust Section**(Report No. 2009-02) be accepted and referred to the Public Education Appropriations Subcommittee and the House and Senate Education Standing Committees. The motion passed unanimously.

3c. A Performance Audit of the Public Lands Policy Coordinating Office (PLPCO)

(Report #2009-01)

Presented by James Behunin, Audit Supervisor

Discussion following Presentation

Michael Mower, State Planning Coordinator, Governor's Office of Planning and Budget, responded to the recommendations presented in the audit. Mr Mower highlighted the following:

- PLPCO has already adopted, or are in the process of adopting, changes and have accepted the recommendations made in the audit
- PLPCO produced a balanced score card that meets changes that were outlined in the audit
- PLPCO has a series of goals and objectives that formally outline their goals and duties and the direction that the office will follow

Motion: Speaker Clark made a motion that the **Performance Audit of the Public Lands Policy Coordinating Office (PLPCO)** (Report No. 20001) be

accepted and referred to the Natural Resources Appropriations Subcommittee. The motion passed unanimously.

3d A Performance Audit of the Drug Offender Reform Act (DORA)

(Report #2009-03)

Presented by Wayne Kidd, Audit Supervisor

Discussion following Presentation

Mary Lou Emerson, USAAV Council Director, Committee on Criminal and Juvenile Justice (CCJJ), told the Audit Subcommittee that the USAAV Council is responsible for overseeing the implementation of DORA and for evaluating its impact and that the fiscal accountability subcommittee is chaired by the CCJJ Deputy Director, David Walsh.

Ms. Emerson added that CCJJ agrees with the recommendations included in the audit and have already begun the work required to implement them. Dr Mitchell said that DORA represents a change in the way Utah handles felony offenders with drug problems and the ultimate objectives of DORA are to reduce both substance abuse and crime as well as their associated impacts on individuals and society.

Dr. Christine Mitchell, Director of Research, CCJJ, explained that her office felt it was too soon to draw conclusions about the effectiveness of this program, adding that failures happen very quickly but successes take a very long period of time to achieve with this kind of population.

Senator Chris Buttars addressed the Subcommittee and introduced Mr. Paul Weir, who had gone through the DORA program for meth addiction.

Mr. Weir gave a brief description of his experience in the DORA program. Mr. Weir said the program not only helped him deal with his addiction but gave him the tools to move on without re-offending or taking drugs.

Motion: Speaker Clark made a motion that the **Performance Audit of the Drug Offender Reform Act (DORA)** (Report No. 2009-03) be accepted and referred to the Executive Offices and Criminal Justice Joint Appropriations Subcommittee, the Health and Human Services Appropriations Subcommittee, the House Judiciary Standing Committee and the Senate Judiciary, Law Enforcement and Criminal Justice Standing Committee. The motion passed unanimously.

President Waddoups explained that there was another audit , **A Limited Review of Cities' Compliance With Impact Fee Statute** (Report #2009-05) that was available to the members of the Audit Subcommittee. However, this report would not be presented at this meeting.

4. New Audit Requests

John Schaff, Auditor General, told the members of the Audit Subcommittee that there were six new audit requests on the list and he felt his staff needed three to five audits approved to keep the audit teams active. Also, Mr. Schaff asked the Subcommittee members to approve the following two audit requests that are already in the process of being completed, having been approved by the previous Subcommittee Chairs—College of Eastern Utah President's Home and BCI Check of Public Education Employees.

Mr. Schaff gave brief descriptions of the following new audit request:

- CORIS System with Courts,
- Utah Anti-discrimination and Labor Division (UALD)
- DWS Eligibility Determination Services
- Utah Department of Consumer Protection

Motion: Representative Litvack made a motion that the following audits be added to the Future Audits in Priority Order:

Number 1 - CORIS System within Court

Number 2 - Utah Anti-discrimination and Labor Division (UALD)

Number 3 - DWS Eligibility Determination Services

Number 4 - Utah's Department of Consumer Protection

The motion passed unanimously

Motion: Senator Jones made a motion that the requests for audits of BCI Check of Public Education Employees and the College of Eastern Utah President's Home be approved. The motion passed unanimously.

5. Other Business

Mr. Schaff told the Audit Subcommittee that there is a copy of our 34th Annual Report in their packets and explained that according to statute, this report must be released at the beginning of each General Session. The Annual Report is a one time follow-up with audited agencies to reports back on action from recommendations made in audits the previous year.

6. Adjournment

President Waddoups adjourned the meeting at 9:40 a.m.